



# DEPARTMENT SUMMARY

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## Finance

Provide financial guidance to City Council and departments and manage the City's financial operations.

### About Finance

The Finance Department is responsible for providing financial expertise and guidance to the City Council and departments, managing the City's daily financial operations, and maintaining the financial integrity of the City. The department's major functional areas include accounting, revenue management, budget, payroll, purchasing, and investment management. The department also administers one internal service fund and one enterprise fund: the Self-Insurance Trust Fund manages the City's insurance portfolio and self-insured workers' compensation program, and the Solid Waste Fund manages the City's operations related to solid waste in support of State AB 939.



### Fiscal Year 2012 Budget Highlights

Led by the Finance and Administrative Services Departments, the City will initiate a three-year project to replace the City's legacy financial management system with a state-of-the-art system featuring the latest technologies and best practices in financial accounting and reporting. This new system will help City staff do their work more effectively and ultimately increase the level of services provided to the public.



# DEPARTMENT SUMMARY

## Finance

### Department Financial and Staffing Summary

|                                      | Actual<br>FY 2010    | Amended<br>FY 2011    | Projected<br>FY 2011  | Proposed<br>FY 2012   | Proposed<br>FY 2013  |
|--------------------------------------|----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| <b>Authorized Positions</b>          | <b>50.20</b>         | <b>48.50</b>          | <b>48.50</b>          | <b>46.50</b>          | <b>46.50</b>         |
| <b>Hourly Employee Hours</b>         | <b>1,818</b>         | <b>2,198</b>          | <b>830</b>            | <b>1,708</b>          | <b>1,642</b>         |
| <b>Revenues</b>                      |                      |                       |                       |                       |                      |
| Donations                            | \$ 100,000           | \$ 94,435             | \$ 98,695             | \$ 80,000             | \$ 80,000            |
| Fees and Service Charges             | 16,672,504           | 17,234,930            | 16,622,723            | 17,674,946            | 18,199,366           |
| Insurance Premiums                   | 2,950,613            | 2,583,750             | 2,583,751             | 2,547,084             | 2,598,025            |
| Interest Income                      | 253,726              | 189,900               | 180,164               | 161,700               | 161,700              |
| Inter-fund Reimbursement             | 1,029                | -                     | 82,255                | -                     | 150,000              |
| Intergovernmental                    | 891,136              | 23,000                | 424,000               | 396,000               | 218,000              |
| Licenses                             | 8,355                | 9,000                 | 9,486                 | 9,000                 | 9,000                |
| OSH Premiums                         | 302,518              | 277,322               | 277,322               | 182,894               | 187,961              |
| Other Revenue                        | 331,451              | 341,667               | 387,869               | 398,600               | 398,600              |
| Transfers In                         | -                    | -                     | -                     | 23,686                | -                    |
| Workers Comp. Premiums               | 2,482,928            | 2,643,581             | 2,643,581             | 2,500,000             | 2,600,000            |
| Overhead Allocation Recovery         | 3,182,845            | 2,936,466             | 2,936,466             | 2,935,330             | 3,024,259            |
| General Fund Subsidy                 | 1,087,068            | 1,061,601             | 899,215               | 1,206,420             | 1,364,418            |
| <b>Total Department Revenue</b>      | <b>\$ 28,264,173</b> | <b>\$ 27,395,652</b>  | <b>\$ 27,145,527</b>  | <b>\$ 28,115,660</b>  | <b>\$ 28,991,329</b> |
| <b>Expenditures</b>                  |                      |                       |                       |                       |                      |
| Salaries and Benefits                | \$ 4,596,457         | \$ 4,719,045          | \$ 4,271,130          | \$ 4,598,093          | \$ 4,884,958         |
| Supplies and Services                | 20,867,147           | 22,293,593            | 22,345,402            | 22,658,601            | 23,331,634           |
| Special Projects                     | 1,379,447            | 921,389               | 771,467               | 634,137               | 655,054              |
| Appropriated Reserve                 | -                    | 48,671                | -                     | 13,531                | -                    |
| Premium Rebate                       | 780,000              | -                     | -                     | 3,694,328             | -                    |
| Non-Capital Equipment                | 46,086               | 937,208               | 923,280               | 12,500                | 12,500               |
| Tax Expense                          | 7,435                | 12,000                | 12,000                | 12,000                | 12,000               |
| Transfers Out                        | 13,736               | 767,988               | 767,988               | 60,503                | 60,503               |
| <b>Total Department Expenditures</b> | <b>\$ 27,690,308</b> | <b>\$ 29,699,894</b>  | <b>\$ 29,091,267</b>  | <b>\$ 31,683,693</b>  | <b>\$ 28,956,649</b> |
| <b>Addition to (Use of) Reserves</b> | <b>\$ 573,865</b>    | <b>\$ (2,304,242)</b> | <b>\$ (1,945,740)</b> | <b>\$ (3,568,033)</b> | <b>\$ 34,680</b>     |

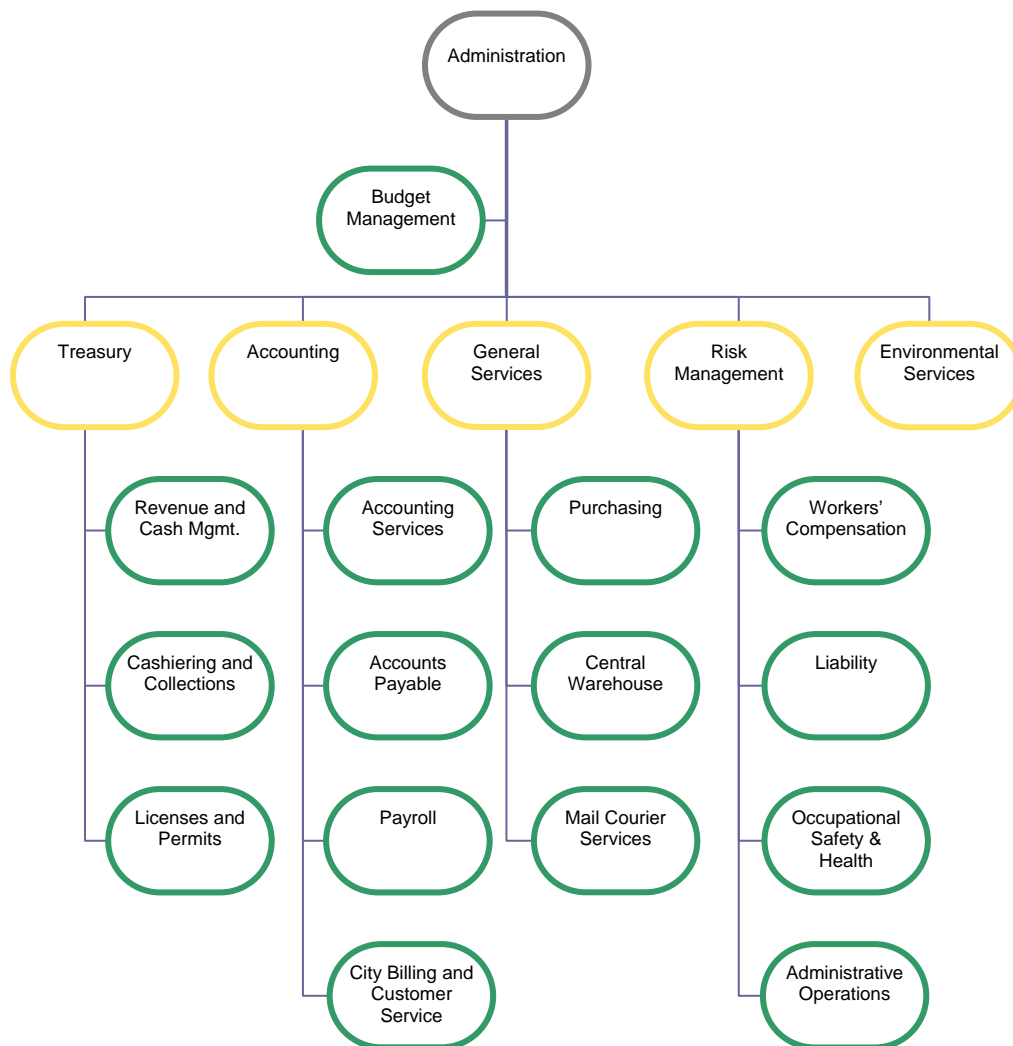
The Finance Department is budgeted in the General Fund, Self-Insurance Trust Fund, and Solid Waste Fund.



# DEPARTMENT SUMMARY

## Finance

### Program Organizational Chart



## FINANCE PROGRAMS

### ➤ Administration

Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

In conjunction with County of Santa Barbara staff, recently completed the evaluation of contractors for the potential installation of a new facility at the Tajiguas Landfill to substantially reduce the volume of trash buried.

## Administration

(Program No. 1411)

### Mission Statement

Provide management and administrative support to Finance programs and provide the City Council and departments with responsive financial expertise and analysis to ensure that the City's financial interests are protected and enhanced.

### Program Activities

- Manage the operations of the department.
- Ensure management and the City Council are informed of all matters materially affecting the financial health of the City.
- Assist with policy formulation and implementation of Council direction.
- Provide staff support to the City Council Finance Committee.
- Provide financial and budgetary support and guidance to all City departments.
- Provide oversight of the City's investment portfolio.
- Manage the City's long-term debt, including new-money and refunding debt.
- Manage the City's Employee Mortgage Loan Assistance Program (EMLAP).
- Administer the City's cable television franchise.

### Key Objectives for Fiscal Year 2012

- Ensure that Finance Programs meet 75% of their program objectives.
- Administer the City's non-exclusive cable television franchise agreement with Cox Communications and ensure that franchisee is in compliance with the franchise requirements.
- In partnership with the County, finalize the selection process of a conversion technology vendor.
- Conduct a Request for Proposal process for the selection of a refuse hauler in Zone 1 of the City.
- Select a vendor to replace the City's Financial Management System by February 2012.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>2.00</b>       | <b>1.35</b>        | <b>1.35</b>          | <b>1.30</b>         | <b>1.30</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Other Revenue                | \$ 1,294          | \$ -               | \$ 2,818             | \$ -                | \$ -                |
| Overhead Allocation Recovery | 157,945           | 140,602            | 140,602              | 118,025             | 121,566             |
| General Fund Subsidy         | 469,372           | 84,644             | 66,863               | 101,073             | 127,780             |
| <b>Total Revenue</b>         | <b>\$ 628,611</b> | <b>\$ 225,246</b>  | <b>\$ 210,283</b>    | <b>\$ 219,098</b>   | <b>\$ 249,346</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 193,901        | \$ 149,672         | \$ 149,678           | \$ 149,344          | \$ 159,039          |
| Supplies and Services        | 78,924            | 63,574             | 48,605               | 57,754              | 57,907              |
| Special Projects             | 348,351           | -                  | -                    | -                   | 20,400              |
| Tax Expense                  | 7,435             | 12,000             | 12,000               | 12,000              | 12,000              |
| <b>Total Expenditures</b>    | <b>\$ 628,611</b> | <b>\$ 225,246</b>  | <b>\$ 210,283</b>    | <b>\$ 219,098</b>   | <b>\$ 249,346</b>   |

## Program Performance Measures

| <b>Performance Measures</b>                               | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Percent of Finance program objectives met                 | 76%                       | 80%                          | 75%                         |
| Percent of Environmental Services division objectives met | 50%                       | 80%                          | 80%                         |
| EMLAP loans administered                                  | 38                        | 36                           | 36                          |

# PROGRAMS & SERVICES

## FINANCE PROGRAMS

Administration

➤ **Revenue & Cash Management**

Cashiering & Collections

Licenses & Permits

Budget Management

Accounting Services

Payroll

Accounts Payable

City Billing & Customer Service

Purchasing

Central Warehouse

Mail Courier Services

Risk Management – Workers'  
Compensation

Risk Management – Liability

Risk Management –  
Occupational Safety & Health

Risk Management –  
Administrative Operations

Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Performed an evaluation of cash controls for banking transactions and implemented new procedures to strengthen controls and eliminate errors.

## Revenue & Cash Management

(Program No. 1412)

### Mission Statement

Invest public funds in a manner that will provide maximum security, adequate liquidity and sufficient yield, while conforming to relevant statutes and regulations, and ensure all revenues are received timely and recorded properly.

### Program Activities

- Manage investment portfolio of approximately \$160 million.
- Submit monthly investment reports to Finance Committee and City Council.
- Manage the City's banking relationships.
- Ensure timely reconciliation of all cash transactions.
- Assist departments in establishing appropriate controls and procedures for the receipt of cash and for petty cash disbursements.
- Provide ongoing analysis of City revenues.
- Forecast and manage cash to ensure adequate liquidity for expenditure requirements.

### Key Objectives for Fiscal Year 2012

- Maintain an average "AAA" credit quality for securities in the portfolio.
- Submit 100% of monthly investment reports to City Council within 30 days of month-end.
- Conduct a monthly analysis of all City revenues.
- Provide a comprehensive analysis of General Fund revenues to the Finance Committee on a quarterly basis.
- Purchase investments for the City and Redevelopment Agency that are consistent with investment objectives.
- Submit an annual Statement of Investment Policy for FY 12 by September 30, 2011.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>2.60</b>       | <b>2.70</b>        | <b>2.70</b>          | <b>2.60</b>         | <b>2.60</b>         |
| <b>Hourly Employee Hours</b> | <b>120</b>        | <b>120</b>         | <b>120</b>           | <b>120</b>          | <b>120</b>          |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Overhead Allocation Recovery | \$ 298,979        | \$ 252,841         | \$ 252,841           | \$ 290,365          | \$ 299,076          |
| General Fund Subsidy         | 83,929            | 189,266            | 196,623              | 191,696             | 205,424             |
| <b>Total Revenue</b>         | <b>\$ 382,908</b> | <b>\$ 442,107</b>  | <b>\$ 449,464</b>    | <b>\$ 482,061</b>   | <b>\$ 504,500</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 254,054        | \$ 311,687         | \$ 323,298           | \$ 302,361          | \$ 324,774          |
| Supplies and Services        | 128,596           | 130,420            | 126,166              | 129,700             | 129,726             |
| Special Projects             | -                 | -                  | -                    | 50,000              | 50,000              |
| Non-Capital Equipment        | 258               | -                  | -                    | -                   | -                   |
| <b>Total Expenditures</b>    | <b>\$ 382,908</b> | <b>\$ 442,107</b>  | <b>\$ 449,464</b>    | <b>\$ 482,061</b>   | <b>\$ 504,500</b>   |

## Program Performance Measures

| <b>Performance Measures</b>                                       | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Credit rating of portfolio holdings                               | AAA                       | AAA                          | AAA                         |
| Variance between the City portfolio and LAIF book rates of return | +2.03%                    | +1.65%                       | < 1%                        |
| Months in which investment report is submitted within 30 days     | 12                        | 12                           | 12                          |
| Average portfolio balance   | \$163.2 M                 | \$156.5 M                    | \$160 M                     |
| Average days to maturity of portfolio                             | 880 days                  | 900 days                     | 900 days                    |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
➤ **Cashiering & Collections**  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## Cashiering & Collections

(Program No. 1413)

### Mission Statement

Centrally process monies, ensuring funds are received when due, properly accounted for and safeguarded, and provide prompt, courteous customer service.

### Program Activities

- Operate a City Hall cashiering function.
- Process payments received from the public and City departments and process bank wires and transfers.
- Prepare daily deposits and related accounting documents.
- Verify payment data from the utility billing lock-box operation.
- Record and reconcile major sources of revenue.
- Audit petty cash claims and assist departments in petty cash procedures.

### Key Objectives for Fiscal Year 2012

- Accurately process 99% of treasury receipts on the day received.
- Accurately prepare deposit summary and daily bank deposits with less than 10 correcting entries needed.



## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>4.20</b>       | <b>4.20</b>        | <b>4.20</b>          | <b>4.20</b>         | <b>4.20</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Other Revenue                | \$ 93             | \$ -               | \$ -                 | \$ -                | \$ -                |
| Overhead Allocation Recovery | 380,557           | 419,606            | 388,097              | 376,659             | 387,959             |
| General Fund Subsidy         | 28,906            | -                  | -                    | 40,521              | 52,998              |
| <b>Total Revenue</b>         | <b>\$ 409,556</b> | <b>\$ 419,606</b>  | <b>\$ 388,097</b>    | <b>\$ 417,180</b>   | <b>\$ 440,957</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 338,421        | \$ 345,273         | \$ 316,506           | \$ 339,569          | \$ 363,289          |
| Supplies and Services        | 71,135            | 74,333             | 71,591               | 77,611              | 77,668              |
| <b>Total Expenditures</b>    | <b>\$ 409,556</b> | <b>\$ 419,606</b>  | <b>\$ 388,097</b>    | <b>\$ 417,180</b>   | <b>\$ 440,957</b>   |

## Program Performance Measures

| <b>Performance Measures</b>  | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|--|---------------------------|------------------------------|-----------------------------|
| Percent of treasury receipts processed on day received                 | 99.4%                     | 99%                          | 99%                         |
| Correcting entries for daily deposit summary and bank deposit          | 7                         | 6                            | <10                         |
| Payments processed at public counter                                   | 50,560                    | 49,800                       | 50,000                      |
| Utility billing lockbox payments processed                             | 173,896                   | 159,800                      | 150,000                     |
| Transient Occupancy Tax (TOT) payments recorded and reconciled monthly | 100                       | 140                          | 150                         |
| Utility Users Tax (UUT) payments recorded and reconciled monthly       | 162                       | 161                          | 165                         |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
➤ Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse  
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Risk Management – Workers'  
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Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Successfully adopted and implemented the Santa Barbara South Coast Tourism Business Improvement District which established additional funding for regional tourism marketing.

## Licenses & Permits

(Program No. 1414)

### Mission Statement

Administer the collection and audit of business taxes, permits, and assessments to ensure compliance with the Santa Barbara Municipal Code (SBMC).

### Program Activities

- Manage the Business Tax and Permit Program.
- Administer the monthly collections of Transient Occupancy Tax.
- Administer the billing and collections for the city's four assessment districts: Parking and Business Improvement Area (PBIA), Old Town Business Improvement District, Downtown Business Improvement District, and the new Tourism Business Improvement District.
- Process delinquency notices and initiate collection efforts for past due accounts.
- Process and issue over 13,000 City licenses and permits.
- Review outside sources and publications to identify unlicensed businesses.

### Key Objectives for Fiscal Year 2012

- Locate 125 unlicensed businesses using periodicals, Franchise Tax Board and State Board of Equalization sources.
- Send quarterly Parking Business Improvement Area (PBIA) billings to downtown businesses with the 75-minute free parking district.
- Send annual Downtown and Old Town Business Improvement District billings by February 24, 2012.
- Perform an annual audit of all businesses within the 3 downtown assessment districts by street address to ensure that all current businesses are billed as required.
- Ensure that newly-licensed businesses are billed appropriately for the district assessments.
- Send annual business license renewal notices no later than 30 days before current license expiration.
- On a quarterly basis, send delinquency letters for unpaid PBIA assessments.
- Collect Tourism Business Improvement District (TBID) fees from hotels in the cities of Santa Barbara and Carpinteria and remit to the Santa Barbara Conference and Visitors' Bureau and Film Commission on a monthly basis.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>3.95</b>       | <b>3.95</b>        | <b>3.95</b>          | <b>3.95</b>         | <b>3.95</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>1,000</b>        | <b>1,000</b>        |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Licenses                     | \$ 8,355          | \$ 9,000           | \$ 9,486             | \$ 9,000            | \$ 9,000            |
| Other Revenue                | 12,137            | 7,000              | 7,000                | 32,000              | 32,000              |
| Overhead Allocation Recovery | 154,206           | 124,611            | 156,120              | 113,962             | 117,380             |
| General Fund Subsidy         | 201,279           | 242,833            | 175,518              | 262,596             | 281,261             |
| <b>Total Revenue</b>         | <b>\$ 375,977</b> | <b>\$ 383,444</b>  | <b>\$ 348,124</b>    | <b>\$ 417,558</b>   | <b>\$ 439,641</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 319,066        | \$ 320,739         | \$ 288,376           | \$ 355,288          | \$ 377,329          |
| Supplies and Services        | 56,911            | 62,705             | 59,748               | 62,270              | 62,312              |
| <b>Total Expenditures</b>    | <b>\$ 375,977</b> | <b>\$ 383,444</b>  | <b>\$ 348,124</b>    | <b>\$ 417,558</b>   | <b>\$ 439,641</b>   |

## Program Performance Measures

| <b>Performance Measures</b>                   | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| New businesses located from reference sources | 327                       | 125                          | 125                         |
| New business licenses issued                  | 1,793                     | 1,620                        | 1,650                       |
| Business license renewals                     | 12,777                    | 11,412                       | 11,500                      |
| Business license delinquency notices          | 3,392                     | 3,114                        | 3,100                       |
| Percent of business licenses paid by due date | 75.5%                     | 70%                          | 75%                         |
| Assessment district billings                  | 4,590                     | 4,500                        | 4,500                       |
| Assessment district delinquency notices       | 1,155                     | 950                          | 950                         |
| Percent of PBIA assessments paid by due date  | 73.7%                     | 70.5%                        | 75%                         |
| Percent of accounts sent to collections       | 1.8%                      | 2.2%                         | 2%                          |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
➤ **Budget Management**  
Accounting Services  
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Accounts Payable  
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Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Continue to improve the Financial Management System budget module for greater efficiency in preparing the budget document.

## Budget Management

(Program No. 1415)

### Mission Statement

Manage the development and implementation of the City's two year financial plan and annual budget to support effective decision-making and public communication.

### Program Activities

- Manage the City's annual budget process, including training and support to departments, analysis of department budget requests, and public presentation of the recommended budget.
- Provide guidance to departments on departmental revenue estimates.
- Provide expertise to City Council and departments on economic and financial conditions and policy issues affecting the budget.
- Provide ongoing budgetary guidance and support to all City departments in administering the annual budget.
- Prepare and publish the City's Annual Budget.

### Key Objectives for Fiscal Year 2012

- Complete 85% of all budget journal entries to record budget amendments within 4 working days of approval.
- Produce and distribute the Adopted Budget for FY 12 by July 31, 2011.
- Receive Government Finance Officers Association (GFOA) Distinguished Budget Award for the Adopted Budget for Fiscal Year 2012.
- Submit the FY 13 Recommended Budget to Council and City Clerk before May 1, 2012 in accordance with the Council-established budget filing deadline.
- Project General Fund non-departmental revenues within a 2% margin in relation to mid-year projections.
- 🌱 Maintain minimum distribution of printed budget documents only to City Council and Executive Management to reduce paper use and waste.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>2.55</b>       | <b>2.40</b>        | <b>2.40</b>          | <b>2.50</b>         | <b>2.50</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Overhead Allocation Recovery | \$ 249,524        | \$ 198,239         | \$ 198,239           | \$ 195,652          | \$ 201,522          |
| General Fund Subsidy         | 113,632           | 178,570            | 185,764              | 200,692             | 218,493             |
| <b>Total Revenue</b>         | <b>\$ 363,156</b> | <b>\$ 376,809</b>  | <b>\$ 384,003</b>    | <b>\$ 396,344</b>   | <b>\$ 420,015</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 292,808        | \$ 303,376         | \$ 301,570           | \$ 321,783          | \$ 345,414          |
| Supplies and Services        | 70,348            | 67,433             | 67,433               | 67,061              | 67,101              |
| Special Projects             | -                 | 6,000              | 15,000               | 7,500               | 7,500               |
| <b>Total Expenditures</b>    | <b>\$ 363,156</b> | <b>\$ 376,809</b>  | <b>\$ 384,003</b>    | <b>\$ 396,344</b>   | <b>\$ 420,015</b>   |

## Program Performance Measures

| <b>Performance Measures</b>                                       | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Percent of budget journal entries completed within 4 working days | 80%                       | 85%                          | 85%                         |
| Budget adjustments  | 178                       | 150                          | 150                         |
| Days to produce the adopted budget document after fiscal year-end | 31                        | 31                           | 31                          |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
➤ Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Reviewed, analyzed, and revised CAFR to be more readable and provide additional disclosures to allow users to better understand the City's financial position and operations

## Accounting Services

(Program No. 1431)

### Mission Statement

Maintain and ensure integrity of the City's financial records and audits and report financial information to Council, the public, and to State and Federal regulatory agencies in an accurate and timely manner.

### Program Activities

- Establish and maintain an accounting system of funds, accounts, and internal controls in accordance with Governmental Accounting Standards Board standards and Generally Accepted Accounting Principles.
- Prepare year-end closing entries, balance and reconcile all funds and accounts, coordinate and communicate with the City's independent auditors, and prepare the Comprehensive Annual Financial Reports for the City and the Redevelopment Agency.
- Prepare and submit fiscal reports, including compliance audits of grant funds and various State Controller's Reports to State and Federal agencies, in an accurate and timely manner.
- Provide financial analysis and fiscal information to department users, management, and the City Council as needed.

### Key Objectives for Fiscal Year 2012

- Compile and produce the annual Comprehensive Annual Financial Reports (CAFRs) for the City and the Redevelopment Agency within 170 days of fiscal year-end.
- Receive an unqualified audit opinion for the annual financial statement audit for the City and Redevelopment Agency (RDA).
- Receive Government Finance Officers Association (GFOA) award for achievement in financial reporting for the City's CAFR.
- Complete 100% of monthly bank reconciliations within 45 days of receiving bank statements.
- Complete 100% of general ledger monthly closings within 7 working days of month-end.
- Complete and input 100% of regular monthly interim financial reports into Legistream within 45 days of month end.
- Publish City and RDA CAFRs on the City's website within 7 days of presentation to City Council.
- Complete and file mandatory annual disclosure reports for all debt issues prior to February 15, 2012.
- Limit the number of bound copies of the RDA and City CAFRs printed for distribution to 35 by issuing electronic versions of the reports (via CD, email, or Internet access).

## Key Objectives for Fiscal Year 2012 (cont'd)

- Complete and file all State Controller's Reports before the deadlines.
- Complete the annual reserve allocation within 150 days of year end.
- Perform a successful recruitment and engage auditors for the annual financial audits.
- Select a vendor to replace the City's Financial Management System by February 2012.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>3.35</b>       | <b>3.10</b>        | <b>3.10</b>          | <b>3.10</b>         | <b>3.10</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Overhead Allocation Recovery | \$ 351,134        | \$ 245,380         | \$ 245,380           | \$ 246,893          | \$ 254,399          |
| General Fund Subsidy         | 69,844            | 144,246            | 165,354              | 232,020             | 251,309             |
| <b>Total Revenue</b>         | <b>\$ 420,978</b> | <b>\$ 389,626</b>  | <b>\$ 410,734</b>    | <b>\$ 478,913</b>   | <b>\$ 505,708</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 286,189        | \$ 269,597         | \$ 281,823           | \$ 360,646          | \$ 387,405          |
| Supplies and Services        | 134,789           | 120,029            | 128,911              | 118,267             | 118,303             |
| <b>Total Expenditures</b>    | <b>\$ 420,978</b> | <b>\$ 389,626</b>  | <b>\$ 410,734</b>    | <b>\$ 478,913</b>   | <b>\$ 505,708</b>   |

## Program Performance Measures

| Performance Measures  | Actual<br>FY 2010 | Projected<br>FY 2011 | Proposed<br>FY 2012 |
|---|-------------------|----------------------|---------------------|
| Days after June 30 to issue City and RDA CAFRs                                  | 162               | 175                  | 170                 |
| Unqualified audit opinions  | 2                 | 2                    | 2                   |
| Audit adjustments required by independent auditor                               | 2                 | 2                    | 2                   |
| Awards for achievement in financial reporting                                   | 1                 | 1                    | 1                   |
| Percent of bank statements completed within 45 days                             | 83%               | 75%                  | 100%                |
| Percent of general ledger closings completed within 7 working days of month-end | 83%               | 100%                 | 100%                |
| Percent of interim financial reports submitted to Council within 60 days        | 83%               | 100%                 | 100%                |
| Journal entries posted  | 1742              | 1750                 | 1700                |
| Percent of State Controller's reports prepared and filed before the deadlines   | N/A               | N/A                  | 100%                |
| Printed copies of the CAFRs distributed   | 40                | 35                   | 35                  |
| Overtime hours worked by staff and manager                                      | 651               | 850                  | 600                 |
| Days from year end to complete annual reserve allocation                        | N/A               | N/A                  | 150                 |

# PROGRAMS & SERVICES

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services

➤ **Payroll**

Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

All FMS payroll reports were converted to electronic format on April 30, 2010, resulting in annual budget savings for supplies and services of \$6,800-\$8,400.

## Payroll

(Program No. 1432)

### Mission Statement

Pay City employees and benefit providers accurately and timely and ensure compliance with Federal and State laws and regulations.

### Program Activities

- Perform audit and data entry of timesheets.
- Make tax payments and file quarterly tax reports.
- Reconcile payroll deductions and benefits payable to the general ledger.
- Reconcile billing statements with receivables and payroll withholdings by person for current and former employees and retirees.
- Pay benefit providers.
- Process payments to the Public Employees Retirement System (PERS) and reconcile to reports and payroll withholdings.
- Maintain the payroll system to reflect annual changes in tax tables, employee contracts, dues, or other items for paycheck accuracy.
- Perform electronic fund transfers for direct deposits, PERS, deferred compensation, and taxes.
- Provide customer service to all City employees, departments and benefit providers.
- Implement technological enhancements to improve payroll processing efficiency.

### Key Objectives for Fiscal Year 2012

- Process and pay payroll accurately and timely 99.9% of the time.
- Achieve a 96% accuracy rate of timesheets submitted by departments during the fiscal year.
- Reconcile 11 of 12 monthly insurance billings within 30 days of receipt from benefits administrator.
- Prepare 2011 W-2 forms for distribution by January 24, 2012.
- Audit and reconcile all payroll tax and liability accounts, and adjust the general ledger as necessary, at the end of the fiscal year.
- Ensure that 100% of program staff attend City computer training classes related to job duties in order to maintain and/or upgrade computer skills.



## Key Objectives for Fiscal Year 2012 (cont'd)

- 🍃 Review remaining 45 of 90 printed reports to identify opportunities to improve the effectiveness and usefulness of the reports, and eliminate, consolidate them as appropriate.
- 🍃 Increase the number of employees opting out of printed pay advices by 50 to a projected total of 650 employees.
- 🍃 Identify and implement 2 new automated procedures as determined by Payroll staff (in collaboration with Information Systems staff) and report any paper reduction realized.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>2.45</b>       | <b>2.45</b>        | <b>2.45</b>          | <b>2.45</b>         | <b>2.45</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Other Revenue                | \$ 2              | \$ -               | \$ -                 | \$ -                | \$ -                |
| Overhead Allocation Recovery | 123,163           | 116,543            | 116,543              | 114,536             | 117,972             |
| General Fund Subsidy         | 144,300           | 149,913            | 142,239              | 153,938             | 164,132             |
| <b>Total Revenue</b>         | <b>\$ 267,465</b> | <b>\$ 266,456</b>  | <b>\$ 258,782</b>    | <b>\$ 268,474</b>   | <b>\$ 282,104</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 214,929        | \$ 215,716         | \$ 209,846           | \$ 217,662          | \$ 230,728          |
| Supplies and Services        | 52,536            | 50,740             | 48,936               | 50,812              | 51,376              |
| <b>Total Expenditures</b>    | <b>\$ 267,465</b> | <b>\$ 266,456</b>  | <b>\$ 258,782</b>    | <b>\$ 268,474</b>   | <b>\$ 282,104</b>   |

## Program Performance Measures

| <b>Performance Measures</b>   | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Accuracy rate of timesheet data entry   | 99.97%                    | 99.96%                       | 99.9%                       |
| Accuracy rate of timesheets submitted by departments  | 96.35%                    | 96.41%                       | 96%                         |
| Percent of insurance billings reconciled within 30 days   | 100%                      | 100%                         | 91.6%                       |
| Dollar value of benefits and withholding accounts reconciled bi-weekly per payroll staff member | \$4,445,666               | \$4,372,958                  | \$4,400,000                 |
| City employees per payroll staff member   | 649                       | 639                          | 640                         |
| Program cost per paycheck issued  | \$5.25                    | \$4.90                       | \$5.00                      |
| Program cost per timesheet processed  | \$5.62                    | \$5.09                       | \$5.25                      |
| W-2's issued annually   | 1,978                     | 1,926                        | 1,950                       |
| Percent of staff hours worked per quarter   | 86.80%                    | 88.09%                       | 88%                         |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll

➤ **Accounts Payable**

City Billing & Customer Service  
Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Total value of discounts utilized during calendar year 2010 resulted in City savings of \$7,675. Implemented electronic filing of quarterly state sales and use taxes, to comply with State Board of Equalization.

## Accounts Payable

(Program No. 1433)

### Mission Statement

Process and issue payments to City vendors to ensure timely and accurate payment for materials, supplies, and services received.

### Program Activities

- Perform audit and data entry of claims submitted for payment.
- Make State sales tax payments and file quarterly reports.
- Initiate monthly independent contractor reporting by diskette.
- Review claims for accounts payable and purchasing policy compliance.
- Maintain files for all City payments to vendors.
- Review and adjust claims for vendor discounts when available.
- Provide customer service to departments and vendors.
- Reconcile and send 'Positive Pay' check disbursement reports to the bank daily.

### Key Objectives for Fiscal Year 2012

- Issue 99% of vendor payments within 2 working days of receipt of claim for payment.
- Issue 99% of payments to vendors, error free.
- Complete implementation of accounts payable cross-training for all payroll staff.
- Prepare 2011 1099-MISC forms for distribution by January 24, 2012.
- Ensure that 100% of program staff attend City computer training classes related to job duties in order to maintain and/or upgrade computer skills.
- Review 5 accounts payable financial reports to identify opportunities to improve the effectiveness and usefulness of the reports, and eliminate or consolidate them as appropriate.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>1.75</b>       | <b>1.75</b>        | <b>1.75</b>          | <b>1.75</b>         | <b>1.75</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Overhead Allocation Recovery | \$ 141,419        | \$ 136,973         | \$ 136,973           | \$ 134,854          | \$ 138,900          |
| General Fund Subsidy         | 62,075            | 70,718             | 63,986               | 72,978              | 77,910              |
| <b>Total Revenue</b>         | <b>\$ 203,494</b> | <b>\$ 207,691</b>  | <b>\$ 200,959</b>    | <b>\$ 207,832</b>   | <b>\$ 216,810</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 140,922        | \$ 141,826         | \$ 139,962           | \$ 142,962          | \$ 151,234          |
| Supplies and Services        | 62,572            | 65,865             | 60,997               | 64,870              | 65,576              |
| <b>Total Expenditures</b>    | <b>\$ 203,494</b> | <b>\$ 207,691</b>  | <b>\$ 200,959</b>    | <b>\$ 207,832</b>   | <b>\$ 216,810</b>   |

## Program Performance Measures

| <b>Performance Measure</b>  | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Percent of payments issued within 2 working days after receipt of claim | 100%                      | 100%                         | 99%                         |
| Percent of payments issued error free to vendors                        | 99.41%                    | 99.38%                       | 99%                         |
| Invoices processed  | 51,941                    | 51,566                       | 52,000                      |
| Program cost per payment issued   | \$10.32                   | \$10.26                      | \$10.25                     |
| Percentage of available discounts taken by departments                  | 47.22%                    | 66.44%                       | 60%                         |
| Percentage of available discounts taken by A/P staff                    | 36.88%                    | 23.46%                       | 30%                         |
| Total value of discounts available                                      | \$8,331                   | \$9,564                      | \$10,500                    |
| Total value of discounts utilized                                       | \$7,007                   | \$8,598                      | \$9,400                     |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable

➤ **City Billing & Customer Service**  
Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Performed an internal audit and updated 'Property Owner Continuous Water Service Agreement' files.

## City Billing & Customer Service

(Program No. 1434)

### Mission Statement

To accurately bill customers on behalf of City departments, ensure the timely collection of related revenues, and to respond to customer inquiries in a courteous and professional manner.

### Program Activities

- Prepare and mail approximately 379,000 consolidated utility bills annually for water, wastewater, and refuse collection services.
- Prepare and mail approximately 27,000 additional bills for a variety of City fees, services, and reimbursements annually, working closely with other City departments.
- Provide customer service by handling approximately 25,000 customer inquiries annually via telephone and walk-in counter support.
- Maintain and manage an automatic payment option for customers to have their bills paid automatically from their checking account.
- Process approximately 17,000 service orders to utility customer accounts, including customer updates, water meter reading verification, bill collection efforts, and water service changes.

### Key Objectives for Fiscal Year 2012

- Accurately input 99% of newly-created auto-payment account information for utility billing, airport and harbor slip customers.
- Notify 99% of Extraordinary Water Use applicants of credit determination within 30 days of receipt of application.
- Issue 99% of refunds due on closed water accounts within 30 days.
- Prepare comprehensive written procedures for major components of the utility billing system and other important functions of the division.
- Provide customer assistance with the implementation of the online utility billing service.
- Perform customer outreach to encourage the receipt of electronic bills in-lieu of mailed paper bills.
- Ensure that program staff attends relevant training classes appropriate to assigned job duties in order to maintain and/or upgrade technical skills.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>3.65</b>       | <b>3.85</b>        | <b>3.85</b>          | <b>3.85</b>         | <b>3.85</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Other Revenue                | \$ 187,700        | \$ 175,000         | \$ 210,000           | \$ 210,000          | \$ 210,000          |
| Overhead Allocation Recovery | 620,261           | 623,738            | 623,738              | 614,364             | 632,796             |
| <b>Total Revenue</b>         | <b>\$ 807,961</b> | <b>\$ 798,738</b>  | <b>\$ 833,738</b>    | <b>\$ 824,364</b>   | <b>\$ 842,796</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 265,820        | \$ 321,581         | \$ 295,718           | \$ 320,323          | \$ 347,055          |
| Supplies and Services        | 247,275           | 254,225            | 256,596              | 263,312             | 265,842             |
| <b>Total Expenditures</b>    | <b>\$ 513,095</b> | <b>\$ 575,806</b>  | <b>\$ 552,314</b>    | <b>\$ 583,635</b>   | <b>\$ 612,897</b>   |

## Program Performance Measures

| <b>Performance Measures</b>  | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|--|---------------------------|------------------------------|-----------------------------|
| Percent of water refunds issued within 30 days of account closure      | 100%                      | 99%                          | 99%                         |
| Accuracy rate of data entry of auto-payment information                | 99%                       | 98%                          | 99%                         |
| Percent of Extraordinary Water Use applicants notified in 30 days      | 99.5%                     | 99%                          | 99%                         |
| Bills issued annually  | 373,704                   | 379,000                      | 379,000                     |
| Service orders prepared annually                                       | 16,476                    | 17,000                       | 17,000                      |
| Phone call received from customers annually                            | 28,716                    | 26,400                       | 25,000                      |
| Average time customer service representative spent on each call        | N/A                       | N/A                          | 2 minutes                   |
| Customers on automatic pay including utility bills, airport and harbor | 6,127                     | 6,500                        | 6,500                       |

# PROGRAMS & SERVICES

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service

### ➤ Purchasing

Central Warehouse  
Mail Courier Services  
Risk Management – Workers' Compensation  
Risk Management – Liability  
Risk Management – Occupational Safety & Health  
Risk Management – Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Developed a calendar to manage expiring contracts; realized significant cost savings from bidding contracts for ordinary goods and services.

## Purchasing

(Program No. 1441)

### Mission Statement

Maintain public trust and fiscal responsibility by competitively obtaining quality goods and general services that meet or exceed department specifications, by encouraging open and fair competition among suppliers, and providing value added services to support the City's mission.

### Program Activities

- Prepare Quick Quote, Bid and Proposal packages and track cost savings.
- Advertise and solicit for competitive bids for goods, materials, and services that meet the City's needs.
- Leverage the City's purchasing power and resources by utilizing cooperative purchasing contract when goods and materials meet department specifications and needs.
- Educate City staff and potential bidders on the City's procurement processes.
- Assist departments and divisions with developing procurement strategies

### Key Objectives for Fiscal Year 2012

- Re-bid 95% of the Blanket Purchase Orders over \$40,000 upon expiration of the current terms or receipt of new requests.
- Issue Purchase Orders under \$25,000 within 15 calendar days from receipt of completed requisition
- Issue Purchase Orders over \$25,000 within 45 calendar days from receipt of completed requisition.
- Conduct at least 1 class to train City staff on the City's purchasing policies and procedures.
- Complete an internal customer satisfaction survey and achieve a customer satisfaction rating of 90% or higher.
- Complete an external customer (vendors/contractors) satisfaction survey.
- Track cost savings on formal bids for ordinary services and goods.
- 🌱 Increase City department participation in on-line ordering to 75% of office supply orders versus phone or fax submittals
- 🌱 Conduct a class on writing specifications to encourage green purchasing solutions

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>6.00</b>       | <b>5.90</b>        | <b>5.90</b>          | <b>5.75</b>         | <b>5.75</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Overhead Allocation Recovery | \$ 508,375        | \$ 484,889         | \$ 484,889           | \$ 545,148          | \$ 561,503          |
| General Fund Subsidy         | 131,692           | 172,309            | 137,728              | 114,196             | 133,552             |
| <b>Total Revenue</b>         | <b>\$ 640,067</b> | <b>\$ 657,198</b>  | <b>\$ 622,617</b>    | <b>\$ 659,344</b>   | <b>\$ 695,055</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 552,227        | \$ 562,985         | \$ 536,941           | \$ 559,925          | \$ 595,579          |
| Supplies and Services        | 87,840            | 94,213             | 85,676               | 99,419              | 99,476              |
| <b>Total Expenditures</b>    | <b>\$ 640,067</b> | <b>\$ 657,198</b>  | <b>\$ 622,617</b>    | <b>\$ 659,344</b>   | <b>\$ 695,055</b>   |

## Program Performance Measures

| <b>Performance Measures</b>   | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Percent of Blanket Purchase Orders over \$40,000 re-bid                   | 92%                       | 95%                          | 95%                         |
| Days to process requisitions under \$25,000                               | 2.95                      | 10                           | 15                          |
| Days to process requisitions over \$25,000                                | 44                        | 45                           | 45                          |
| Purchase Orders issued (all categories), including change orders          | 2,876                     | 4,000                        | 4,000                       |
| Purchase Orders for routine services and supplies over \$2,500            | 1,056                     | 1,000                        | 1,000                       |
| Blanket Purchase Orders issued for ordinary services and supplies         | 915                       | 950                          | 950                         |
| Purchase Orders issued for Professional Services and Contracts            | 86                        | 200                          | 200                         |
| Change Orders issued  | 819                       | 950                          | 950                         |
| Request for Proposal/Qualifications advertised                            | 7                         | 10                           | 10                          |
| Request for Bids advertised for ordinary services and materials           | 88                        | 125                          | 125                         |
| Percent of sole source Purchase Orders for ordinary services and material | 8%                        | 5%                           | 5%                          |
| Average purchase orders processed per Buyer                               | 957                       | 1,400                        | 1,400                       |
| Percent of on-line ordering of office supplies                            | 76%                       | 75%                          | 75%                         |
| Percent of overall customer satisfaction rating                           | 89%                       | N/A                          | 90%                         |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing

### ➤ Central Warehouse

Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Oversaw the assembly and delivery of Cleaning Kits used by Looking Good Santa Barbara at their annual clean ups. Approximately 600 kits were distributed to volunteers.

## Central Warehouse

(Program No. 1442)

### Mission Statement

Competitively purchase inventory and issue goods that meet or exceed our customers' specifications, partner with our customers to identify new or better products, provide services that exceed our customers' expectations, and dispose of City surplus in accordance with the Municipal Code.

### Program Activities

- Issue inventory.
- Perform monthly cycle counts.
- Reorder stock as necessary.
- Package similar stock items together for bidding purposes and track annual cost savings.
- Dispose of surplus City property and track auction proceeds.

### Key Objectives for Fiscal Year 2012

- Maintain an accuracy rate of 99% for monthly inventory counts.
- Process and fill 99% of issue requisitions within 1 day.
- Achieve a turnover rate for 20 key items of 12 times per year.
- Increase the percent of inventory items under contract.
- Review auction processes for surplus items, consider online and onsite.
- Create a SharePoint page for Central Warehouse.
- Perform a Customer Satisfaction Survey by May 31, 2012.



## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>1.40</b>       | <b>1.10</b>        | <b>1.10</b>          | <b>1.20</b>         | <b>1.20</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Overhead Allocation Recovery | \$ 157,351        | \$ 154,574         | \$ 154,574           | \$ 125,045          | \$ 128,796          |
| General Fund Subsidy         | 20,592            | 3,710              | -                    | 34,965              | 36,631              |
| <b>Total Revenue</b>         | <b>\$ 177,943</b> | <b>\$ 158,284</b>  | <b>\$ 154,574</b>    | <b>\$ 160,010</b>   | <b>\$ 165,427</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 105,384        | \$ 79,103          | \$ 77,161            | \$ 87,379           | \$ 92,733           |
| Supplies and Services        | 72,379            | 78,681             | 75,838               | 72,131              | 72,194              |
| Special Projects             | 180               | 500                | -                    | 500                 | 500                 |
| <b>Total Expenditures</b>    | <b>\$ 177,943</b> | <b>\$ 158,284</b>  | <b>\$ 152,999</b>    | <b>\$ 160,010</b>   | <b>\$ 165,427</b>   |

## Program Performance Measures

| <b>Performance Measures</b>  | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|--|---------------------------|------------------------------|-----------------------------|
| Percent of accurate monthly inventory counts                       | 99.87%                    | 99%                          | 99%                         |
| Percent of issue requisitions processed within 1 working day       | 100%                      | 100%                         | 99%                         |
| Inventory turnover rate for 20 key items (times per year)          | 12.4                      | 12                           | 12                          |
| Percent of monthly inventory counts completed within 1 working day | 100%                      | 100%                         | 100%                        |
| Issue requisitions processed                                       | 2,923                     | 3,000                        | 3,500                       |
| Orders processed from vendors                                      | 401                       | 450                          | 500                         |
| Stock items on hand  | 1,254                     | 1,250                        | 1,250                       |
| Inventory turnover rate for 20 key items (times per year)          | 12.4                      | 12                           | 12                          |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse

### ➤ Mail Courier Services

Risk Management – Workers' Compensation  
Risk Management – Liability  
Risk Management – Occupational Safety & Health  
Risk Management – Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Customer Satisfaction  
Survey results were rated  
good- excellent.

## Mail Courier Services

(Program No. 1452)

### Mission Statement

Collect and distribute U.S. Postal Service and interdepartmental mail to all City departments accurately and efficiently.

### Program Activities

- Collect the City's United States Postal Service (U.S.P.S.) mail twice daily.
- Provide interoffice mail courier service to 33 stops at City offices and selected outside agencies.
- Process outgoing U.S.P.S. mail daily.
- Post mail information on the Courier's SharePoint page.
- Maintain departmental billing records.
- Track certified mail receipts to ensure that receipts are returned to the right departments.

### Key Objectives for Fiscal Year 2012

- Process and send 99% of the routine outgoing U.S.P.S. mail within 1 working day.
- Provide mail services according to the published mail schedule.
- Complete an internal customer satisfaction survey and achieve a customer satisfaction rating of 80% or higher.
- Provide backup support for central stores.
- Maintain the monthly reporting of mail charges and volume on SharePoint page.

## Financial and Staffing Information

|                              | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>  | <b>1.20</b>       | <b>1.10</b>        | <b>1.10</b>          | <b>1.20</b>         | <b>1.20</b>         |
| <b>Hourly Employee Hours</b> | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>              |                   |                    |                      |                     |                     |
| Overhead Allocation Recovery | 39,931            | \$ 38,470          | \$ 38,470            | \$ 35,319           | \$ 36,378           |
| General Fund Subsidy         | 56,313            | 48,324             | 48,139               | 66,982              | 70,839              |
| <b>Total Revenue</b>         | <b>\$ 96,244</b>  | <b>\$ 86,794</b>   | <b>\$ 86,609</b>     | <b>\$ 102,301</b>   | <b>\$ 107,217</b>   |
| <b>Expenditures</b>          |                   |                    |                      |                     |                     |
| Salaries and Benefits        | \$ 83,668         | \$ 74,758          | \$ 71,892            | \$ 88,533           | \$ 93,449           |
| Supplies and Services        | 9,681             | 12,036             | 11,745               | 13,768              | 13,768              |
| Non-Capital Equipment        | 2,895             | -                  | 2,972                | -                   | -                   |
| <b>Total Expenditures</b>    | <b>\$ 96,244</b>  | <b>\$ 86,794</b>   | <b>\$ 86,609</b>     | <b>\$ 102,301</b>   | <b>\$ 107,217</b>   |

## Program Performance Measures

| <b>Performance Measures</b>                                 | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Percent of U.S.P.S. outgoing mail sent within 1 working day | 100%                      | 100%                         | 99%                         |
| Percent of mail stops completed on-schedule                 | 100%                      | 100%                         | 100%                        |
| Percent of Customer satisfaction                            | N/A                       | N/A                          | 80%                         |
| Pieces of outgoing U.S.P.S. mail processed                  | 147,333                   | 120,000                      | 120,000                     |
| Pieces of interoffice mail and correspondence delivered     | 14,628                    | 8,500                        | 10,000                      |
| Percent of damaged or spoiled mail                          | N/A                       | N/A                          | <.02%                       |
| Percent of mail returned for incorrect postage              | N/A                       | N/A                          | 0%                          |
| Labor cost per piece of outgoing U.S.P.S. mail              | \$0.30                    | \$0.64                       | \$0.24                      |
| Mail stops per day  | N/A                       | 32                           | 33                          |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse  
Mail Courier Services

➤ **Risk Management – Workers’ Compensation**

Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Modified Duty Program reduced temporary disability payments by \$320,638 in FY 10; claims filed remain at historic low levels for the fifth consecutive year.

## Workers’ Compensation

(Program No. 1461)

### Mission Statement

Provide workers’ compensation benefits to eligible employees, ensure compliance with Federal and State regulations, and minimize associated costs.

### Program Activities

- Collect, maintain, and analyze loss data.
- Ensure compliance with Federal and California laws; monitor legislation, legal opinions, and case law for changes.
- Investigate, evaluate, and authorize all new lost time claims.
- Approve the use of salary continuation.
- Approve expenditures, evaluate and recommend settlement proposals, and obtain approval for settlement payments.
- Ensure that the third party administrator completes all required elements of contracts.
- Assist outside legal counsel to defend claims, and coordinate subrogation recovery.
- Notify management of any permanent work restriction for injured employees and evaluate industrial disability retirement applications.
- Assist managers and supervisors to return an injured employee to regular or modified duty and develop a modified duty contract.
- Respond to employee, supervisor, and management inquiries; provide training on workers’ compensation.

### Key Objectives for Fiscal Year 2012

- Conduct annual claim review of all open claims with the 4 departments with the highest claims frequency; and semi-annually post open claim data.
- Obtain 50% of the industrial injury preventability determination reports from operating departments.
- Complete investigation of 50% of the industrial injuries with lost time within 45 days of knowledge.
- Audit performance of the Third Party Administrator. Submit audit report by December 31, 2011.
- Purge workers’ compensation claim records held in storage as allowed by State law by December 31, 2011.

## Financial and Staffing Information

|                                       | Actual<br>FY 2010   | Amended<br>FY 2011  | Projected<br>FY 2011 | Proposed<br>FY 2012   | Proposed<br>FY 2013 |
|---------------------------------------|---------------------|---------------------|----------------------|-----------------------|---------------------|
| <b>Authorized Positions</b>           | <b>1.60</b>         | <b>1.55</b>         | <b>1.55</b>          | <b>1.55</b>           | <b>1.55</b>         |
| <b>Hourly Employee Hours</b>          | <b>117</b>          | <b>78</b>           | <b>150</b>           | <b>196</b>            | <b>130</b>          |
| <b>Revenues</b>                       |                     |                     |                      |                       |                     |
| Other Revenue                         | \$ 762              | \$ -                | \$ 8,334             | \$ -                  | \$ -                |
| Workers' Comp. Premiums               | 2,482,928           | 2,643,581           | 2,643,581            | 2,500,000             | 2,600,000           |
| <b>Total Revenue</b>                  | <b>\$ 2,483,690</b> | <b>\$ 2,643,581</b> | <b>\$ 2,651,915</b>  | <b>\$ 2,500,000</b>   | <b>\$ 2,600,000</b> |
| <b>Expenditures</b>                   |                     |                     |                      |                       |                     |
| Salaries and Benefits                 | \$ 164,608          | \$ 178,976          | \$ 170,010           | \$ 192,432            | \$ 202,739          |
| Supplies and Services                 | 1,368,124           | 2,070,533           | 2,001,228            | 2,086,504             | 2,211,538           |
| Special Projects                      | -                   | -                   | -                    | -                     | 100                 |
| Appropriated Reserve                  | -                   | 6,953               | -                    | -                     | -                   |
| Premium Rebate                        | 780,000             | -                   | -                    | 3,694,328             | -                   |
| <b>Total Expenditures</b>             | <b>\$ 2,312,732</b> | <b>\$ 2,256,462</b> | <b>\$ 2,171,238</b>  | <b>\$ 5,973,264</b>   | <b>\$ 2,414,377</b> |
| <b>Addition to (Use of ) Reserves</b> | <b>\$ 170,958</b>   | <b>\$ 387,119</b>   | <b>\$ 480,677</b>    | <b>\$ (3,473,264)</b> | <b>\$ 185,623</b>   |

## Program Performance Measures

| <b>Performance Measures</b>  | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|--|---------------------------|------------------------------|-----------------------------|
| Annual review of open claims with highest claims departments   | 8                         | 4                            | 4                           |
| Percent of preventability reports received from departments  | 64%                       | 50%                          | 50%                         |
| Percent of industrial injuries investigated  | 54%                       | 35%                          | 50%                         |
| Total claim costs (paid and reserved) current FY   | \$823,614                 | \$912,860                    | \$894,702                   |
| Annual gross amount of medical costs billed (all open claims)  | \$1,558,713               | \$1,781,737                  | \$1,654,225                 |
| Annual gross amount of medical costs paid (all open claims)  | \$638,078                 | \$737,469                    | \$594,042                   |
| Annual cost of professional medical bill review services (all open claims)                           | \$72,562                  | \$74,000                     | \$73,689                    |
| Claims filed (current FY only)   | 133                       | 147                          | 152                         |
| Number of open claims all years at FYE   | 175                       | 175                          | 167                         |
| Litigation Ratio, Number of active litigated claims divided by the number of open claims (all years) | 10%                       | 20%                          | 20%                         |
| Percent of claims filed without lost time  | 59%                       | 58%                          | 66%                         |
| Percent of eligible employees placed in a modified work assignment.                                  | 97%                       | 95%                          | 94%                         |
| Number of Modified Duty days worked.   | 1,589                     | 2,700                        | 2,047                       |
| Modified Duty cost savings   | \$236,462                 | \$423,000                    | \$320,646                   |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers' Compensation  
➤ Risk Management – Liability  
Risk Management – Occupational Safety & Health  
Risk Management – Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

The downward trend in claims costs continues for the third consecutive year.

The upward trend in the receipt of Collision Preventability Determinations continues for the third consecutive year.

## Liability

(Program No. 1462)

### Mission Statement

Prudently investigate City incidents and adjust damage claims, correct potential hazards, and provide loss prevention training.

### Program Activities

- Administer incident and claims procedures.
- Investigate departmental activities relative to claimed damages.
- Pay or deny claims and communicate findings to claimants.
- Represent the City in small claims court.
- Request and track hazard mitigation throughout City activities.
- Provide tailored loss prevention classes to City personnel.
- Consult with departments to assess workplace security needs.
- Obtain preventability reports of vehicle and equipment damage from appropriate departments.
- Organize defensive driving classes and materials.
- Report loss amounts monthly and annually.
- Assess and provide needed loss prevention training.
- Respond to citizen and public requests for assistance.

### Key Objectives for Fiscal Year 2012

- Complete 90% of claims investigations within 45 days.
- Route 90% of public hazard concerns to the appropriate department within 2 working days.
- Obtain 90% of collision preventability determination reports from the operating departments.
- Update the Liability Section (Chapters 3 – 5) of the Risk Management Manual by March 31, 2012.
- Update the Risk Management General Liability Frequency and Severity Report by September 30, 2011.

## Financial and Staffing Information

|                                       | Actual<br>FY 2010   | Amended<br>FY 2011  | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|---------------------------------------|---------------------|---------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>           | <b>1.10</b>         | <b>1.10</b>         | <b>1.10</b>          | <b>1.10</b>         | <b>1.10</b>         |
| <b>Hourly Employee Hours</b>          | <b>466</b>          | <b>1,000</b>        | <b>560</b>           | <b>392</b>          | <b>392</b>          |
| <b>Revenues</b>                       |                     |                     |                      |                     |                     |
| Insurance Premiums                    | \$ 1,940,613        | \$ 1,722,907        | \$ 1,722,908         | \$ 1,547,084        | \$ 1,578,025        |
| Other Revenue                         | 3,324               | -                   | 50                   | -                   | -                   |
| <b>Total Revenue</b>                  | <b>\$ 1,943,937</b> | <b>\$ 1,722,907</b> | <b>\$ 1,722,958</b>  | <b>\$ 1,547,084</b> | <b>\$ 1,578,025</b> |
| <b>Expenditures</b>                   |                     |                     |                      |                     |                     |
| Salaries and Benefits                 | \$ 165,806          | \$ 169,008          | \$ 86,964            | \$ 140,251          | \$ 149,111          |
| Supplies and Services                 | 1,170,331           | 1,520,446           | 1,434,579            | 1,407,945           | 1,469,819           |
| Appropriated Reserve                  | -                   | 5,325               | -                    | -                   | -                   |
| Transfers Out                         | 276                 | 717,988             | 717,988              | -                   | -                   |
| <b>Total Expenditures</b>             | <b>\$ 1,336,413</b> | <b>\$ 2,412,767</b> | <b>\$ 2,239,531</b>  | <b>\$ 1,548,196</b> | <b>\$ 1,618,930</b> |
| <b>Addition to (Use of ) Reserves</b> | <b>\$ 607,524</b>   | <b>\$ (689,860)</b> | <b>\$ (516,573)</b>  | <b>\$ (1,112)</b>   | <b>\$ (40,905)</b>  |

## Program Performance Measures

| <b>Performance Measures</b>   | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Percent of claims acted upon within 45 days of receipt  | 99%                       | 95%                          | 90%                         |
| Percent of public hazard concerns routed to the appropriate department within 2 working days of receipt | 95%                       | 95%                          | 90%                         |
| Percent of preventability reports received  | 78%                       | 85%                          | 90%                         |
| Liability claims filed during the year  | 138                       | 140                          | 132                         |
| Total current open claims   | 79                        | 80                           | 82                          |
| Total annual claim costs paid   | \$164,414                 | \$450,000                    | \$604,419                   |
| Percent of claims filed resulting in litigation   | 8%                        | 10%                          | 7%                          |
| Percent of open claims litigated  | 19%                       | 20%                          | 20%                         |
| Percent of claims closed within 11 months of filing   | 86%                       | 85%                          | 85%                         |
| Reported vehicle incidents  | 81                        | 115                          | 99                          |
| Percent of vehicle incidents resulting in claims  | 21%                       | 25%                          | 19%                         |
| Amount paid for preventable collisions  | \$45,120                  | \$47,500                     | \$65,878                    |
| Number of site visits conducted.  | N/A                       | N/A                          | 105                         |
| Number of Incident Reports completed  | N/A                       | N/A                          | TBD                         |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
Payroll  
Accounts Payable  
City Billing & Customer Service  
Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
➤ Risk Management –  
Occupational Safety & Health  
Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Occupational injuries and associated lost work days continue to trend downward compared to historical averages.

## Occupational Safety & Health

(Program No. 1463)

### Mission Statement

Ensure a safe work environment for the City's work force and preserve the City's financial resources through training, medical screening, and safety analysis.

### Program Activities

- Review and update the Injury Illness Prevention Program (IIPP) to conform to Occupational Safety and Health Act (OSHA) regulatory changes.
- Maintain and schedule master IIPP compliance activities and other safety training regulations according to state law.
- Provide training guidance and resources to supervisors.
- Respond to hazards and safety concerns identified by employees.
- Provide semi-annual loss data reports.
- Maintain network of internal occupational safety and health trainers.

### Key Objectives for Fiscal Year 2012

- Maintain the number of occupational injuries at a level not to exceed the 5 year average.
- Maintain compliance with state and federal OSHA mandates.
- Coordinate monthly IIPP Training calendar.
- Collect 80% of facility safety inspection findings from operating departments by March 1, 2012.
- 🌱 Post Cal/OSHA Log 300A electronically by February 1, 2012.



## Financial and Staffing Information

|                                       | Actual<br>FY 2010 | Amended<br>FY 2011 | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|---------------------------------------|-------------------|--------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>           | <b>1.65</b>       | <b>0.80</b>        | <b>0.80</b>          | <b>0.80</b>         | <b>0.80</b>         |
| <b>Hourly Employee Hours</b>          | <b>0</b>          | <b>0</b>           | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>                       |                   |                    |                      |                     |                     |
| OSH Premiums                          | \$ 302,518        | \$ 277,322         | \$ 277,322           | \$ 182,894          | \$ 187,961          |
| <b>Total Revenue</b>                  | <b>\$ 302,518</b> | <b>\$ 277,322</b>  | <b>\$ 277,322</b>    | <b>\$ 182,894</b>   | <b>\$ 187,961</b>   |
| <b>Expenditures</b>                   |                   |                    |                      |                     |                     |
| Salaries and Benefits                 | \$ 91,756         | \$ 84,725          | \$ 84,725            | \$ 84,072           | \$ 90,623           |
| Supplies and Services                 | 46,855            | 110,351            | 79,865               | 89,329              | 89,879              |
| Appropriated Reserve                  | -                 | 6,961              | -                    | -                   | -                   |
| <b>Total Expenditures</b>             | <b>\$ 138,611</b> | <b>\$ 202,037</b>  | <b>\$ 164,590</b>    | <b>\$ 173,401</b>   | <b>\$ 180,502</b>   |
| <b>Addition to (Use of ) Reserves</b> | <b>\$ 163,907</b> | <b>\$ 75,285</b>   | <b>\$ 112,732</b>    | <b>\$ 9,493</b>     | <b>\$ 7,459</b>     |

## Program Performance Measures

| <b>Performance Measures</b>   | Actual<br>FY 2010 | Projected<br>FY 2011 | Proposed<br>FY 2012 |
|---|-------------------|----------------------|---------------------|
| Occupational injury claims filed  | 133               | 146                  | 152                 |
| Percent compliance with state and federal OSHA mandates                 | 100%              | 100%                 | 100%                |
| Employees attending Injury Illness Prevention Program training sessions | 1,548             | 1,200                | 1,307               |
| Number of IIPP training sessions conducted                              | 86                | 44                   | 86                  |
| Lost work days due to occupational injuries                             | 836               | 1,499                | 1,004               |
| Occupational Safety Trainers  | 109               | 125                  | 82                  |
| Fleet Safety classes  | 5                 | 4                    | 4                   |

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
Budget Management  
Accounting Services  
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Purchasing  
Central Warehouse  
Mail Courier Services  
Risk Management – Workers'  
Compensation  
Risk Management – Liability  
Risk Management –  
Occupational Safety & Health  
➤ Risk Management –  
Administrative Operations  
Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Total cost of risk  
decreased in line with city  
operating and capital  
budgets cutbacks.

## Administrative Operations

(Program No. 1464)

### Mission Statement

Manage division programs and assist operating departments to assess exposure to loss.

### Program Activities

- Create and maintain a risk management information system.
- Review and execute contracts, agreements, leases, and grants.
- Identify, evaluate, and rate all risks of accidental loss.
- Respond to employee, supervisor and management requests for assistance.
- Market and negotiate placement of commercial insurance policies.
- Initiate investigation and recovery of costs for loss or damage to City property caused by insurable perils or a negligent third party.
- Notarize City and employee documents.

### Key Objectives for Fiscal Year 2012

- Ensure 80% completion of Risk Management Division program objectives.
- Compile and post semi-annual loss data
- Update Risk Management SharePoint site by March 31, 2012.
- Update the Risk Management Manual chapters describing procedures on Court Indexing and Certificates of Insurance by March 31, 2012.
- 🍃 Submit insurance renewals electronically and obtain binders and policies electronically.
- 🍃 Create a leave calendar on SharePoint for use by the Risk Management Division.

## Financial and Staffing Information

|                                       | Actual<br>FY 2010   | Amended<br>FY 2011  | Projected<br>FY 2011 | Proposed<br>FY 2012 | Proposed<br>FY 2013 |
|---------------------------------------|---------------------|---------------------|----------------------|---------------------|---------------------|
| <b>Authorized Positions</b>           | <b>0.85</b>         | <b>0.70</b>         | <b>0.70</b>          | <b>0.70</b>         | <b>0.70</b>         |
| <b>Hourly Employee Hours</b>          | <b>0</b>            | <b>0</b>            | <b>0</b>             | <b>0</b>            | <b>0</b>            |
| <b>Revenues</b>                       |                     |                     |                      |                     |                     |
| Insurance Premiums                    | \$ 1,010,000        | \$ 860,843          | \$ 860,843           | \$ 1,000,000        | \$ 1,020,000        |
| Interest Income                       | 253,726             | 189,900             | 180,164              | 161,700             | 161,700             |
| Other Revenue                         | -                   | -                   | -                    | -                   | -                   |
| <b>Total Revenue</b>                  | <b>\$ 1,263,726</b> | <b>\$ 1,050,743</b> | <b>\$ 1,041,007</b>  | <b>\$ 1,161,700</b> | <b>\$ 1,181,700</b> |
| <b>Expenditures</b>                   |                     |                     |                      |                     |                     |
| Salaries and Benefits                 | \$ 110,304          | \$ 90,749           | \$ 29,870            | \$ 84,006           | \$ 91,460           |
| Supplies and Services                 | 1,170,757           | 1,227,664           | 1,162,901            | 1,180,844           | 1,194,344           |
| Appropriated Reserve                  | -                   | 4,432               | -                    | -                   | -                   |
| <b>Total Expenditures</b>             | <b>\$ 1,281,061</b> | <b>\$ 1,322,845</b> | <b>\$ 1,192,771</b>  | <b>\$ 1,264,850</b> | <b>\$ 1,285,804</b> |
| <b>Addition to (Use of ) Reserves</b> | <b>\$ (17,335)</b>  | <b>\$ (272,102)</b> | <b>\$ (151,764)</b>  | <b>\$ (103,150)</b> | <b>\$ (104,104)</b> |

## Program Performance Measures

| <b>Performance Measures</b>   | <b>Actual<br/>FY 2010</b> | <b>Projected<br/>FY 2011</b> | <b>Proposed<br/>FY 2012</b> |
|---|---------------------------|------------------------------|-----------------------------|
| Percent of division objectives accomplished   | 84%                       | 80%                          | 80%                         |
| Loss data reports   | 1                         | 2                            | 2                           |
| Dollar value of property damage and workers' compensation expenses recovered from negligent third parties | \$87,679                  | \$100,000                    | \$100,000                   |
| Total cost of risk as percentage of total city operating and capital expenditures                         | 2.0%                      | 3.0%                         | 3.0%                        |

# PROGRAMS & SERVICES

## FINANCE PROGRAMS

Administration  
Revenue & Cash Management  
Cashiering & Collections  
Licenses & Permits  
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Risk Management – Workers' Compensation  
Risk Management – Liability  
Risk Management – Occupational Safety & Health  
Risk Management – Administrative Operations

### ➤ Solid Waste



## RECENT PROGRAM ACHIEVEMENTS

Awarded a competitive grant from the State of California for the installation of a landfill gas collection system at the Elings Park.

## Solid Waste

(Program No. 1471)

### Mission Statement

Provide reliable, cost-effective collection of residential and commercial recyclables, greenwaste, foodscrap and refuse through the City's franchised haulers, with a primary focus on maximizing diversion of solid waste from landfill disposal.




### Program Activities

- Design solid waste programs that protect public health and the environment; maintain the City's compliance with State solid waste mandates.
- Develop a cost-effective solid waste management system to allow the City to maintain control of its waste stream
- Pursue long-term alternatives to disposal and continuously reduce the volume of material disposed in landfills through aggressive recycling, composting and related diversion strategies.
- Ensure contract compliance with the franchised haulers.
- Manage all components of the City's waste management system.
- Provide information to the public and respond to concerns about hauling services.
- Participate in regional solid waste forums such as the Multi-Jurisdictional Solid Waste Task Group (MJSWTG).

### Key Objectives for Fiscal Year 2012

- ✔ Meet with 200 new and existing contacts in the business sector about the environmental and financial benefits of recycling.
- ✔ Enlist 40 new food-service establishments into the Foodscrap Recovery and Composting Program.
- ✔ Respond to 98% of code enforcement calls within 1 business day.
- ✔ Respond to hauler service complaints within 2 business days.
- ✔ Complete the Zone 1 waste collection request for proposal process by June 30, 2012.
- ✔ Implement foodscrap recovery and composting at all junior and senior high schools in the Santa Barbara School District by June 30, 2012.
- ✔ Conduct the Spirit of Service Awards for Recycling, Composting, and Litter Reduction no later than May 2012.

## Key Objectives for Fiscal Year 2012 (Cont'd)

-  Hold 2 electronics waste collection events in FY 12, corresponding with America Recycles Day in November 2011 and Earth Day 2012.
-  Work with and provide options to the Ordinance Committee for reduction in the use of single-use bags within the City.
-  Establish a comprehensive mixed recycling program at 10 City facilities.

## Financial and Staffing Information

|                                       | Actual<br>FY 2010    | Amended<br>FY 2011    | Projected<br>FY 2011  | Proposed<br>FY 2012  | Proposed<br>FY 2013  |
|---------------------------------------|----------------------|-----------------------|-----------------------|----------------------|----------------------|
| <b>Authorized Positions</b>           | <b>9.90</b>          | <b>10.50</b>          | <b>10.50</b>          | <b>8.50</b>          | <b>8.50</b>          |
| <b>Hourly Employee Hours</b>          | <b>1,115</b>         | <b>1,000</b>          | <b>0</b>              | <b>0</b>             | <b>0</b>             |
| <b>Revenues</b>                       |                      |                       |                       |                      |                      |
| Donations                             | \$ 100,000           | \$ 94,435             | \$ 98,695             | \$ 80,000            | \$ 80,000            |
| Fees and Service Charges              | 16,672,504           | 17,234,930            | 16,622,723            | 17,674,946           | 18,199,366           |
| Reimbursements                        | 1,029                | -                     | 82,255                | -                    | 150,000              |
| Intergovernmental                     | 891,136              | 23,000                | 424,000               | 396,000              | 218,000              |
| Other Revenue                         | 126,139              | 159,667               | 159,667               | 156,600              | 156,600              |
| Transfers In                          | -                    | -                     | -                     | 23,686               | -                    |
| <b>Total Revenue</b>                  | <b>\$ 17,790,808</b> | <b>\$ 17,512,032</b>  | <b>\$ 17,387,340</b>  | <b>\$ 18,331,232</b> | <b>\$ 18,803,966</b> |
| <b>Expenditures</b>                   |                      |                       |                       |                      |                      |
| Salaries and Benefits                 | \$ 1,016,594         | \$ 1,099,274          | \$ 906,790            | \$ 851,557           | \$ 882,997           |
| Supplies and Services                 | 16,038,094           | 16,290,345            | 16,624,587            | 16,817,004           | 17,284,805           |
| Special Projects                      | 1,030,916            | 914,889               | 756,467               | 576,137              | 576,554              |
| Appropriated Reserve                  | -                    | 25,000                | -                     | 13,531               | -                    |
| Non-Capital Equipment                 | 42,933               | 937,208               | 920,308               | 12,500               | 12,500               |
| Transfers Out                         | 13,460               | 50,000                | 50,000                | 60,503               | 60,503               |
| <b>Total Expenditures</b>             | <b>\$ 18,141,997</b> | <b>\$ 19,316,716</b>  | <b>\$ 19,258,152</b>  | <b>\$ 18,331,232</b> | <b>\$ 18,817,359</b> |
| <b>Addition to (Use of ) Reserves</b> | <b>\$ (351,189)</b>  | <b>\$ (1,804,684)</b> | <b>\$ (1,870,812)</b> | <b>\$ -</b>          | <b>\$ (13,393)</b>   |

## Program Performance Measures

| Performance Measures  | Actual<br>FY 2010 | Projected<br>FY 2011 | Proposed<br>FY 2012 |
|---|-------------------|----------------------|---------------------|
| Business contacts made regarding recycling benefits                                   | 287               | 175                  | 200                 |
| New food-service establishments participating in the foodscrap and composting program | N/A               | 40                   | 40                  |
| Percent of Code enforcement calls responded to within 1 businesses day                | 98%               | 98%                  | 98%                 |
| Tons of solid waste disposed of at the Tajiguas Landfill (citywide)                   | 87,262            | 80,166               | 84,460              |

## Solid Waste

(Continued)

### Program Performance Measures (Cont'd)

| Performance Measures  | Actual<br>FY 2010 | Projected<br>FY 2011 | Proposed<br>FY 2012 |
|---|-------------------|----------------------|---------------------|
| Tons of mixed recyclables diverted from the Tajiguas Landfill (franchise only)  | 18,231            | 18,408               | 18,960              |
| Tons of greenwaste diverted from the Tajiguas Landfill (franchise only)   | N/A               | 13,460               | 13,863              |
| Tons of foodscraps diverted from the Tajiguas Landfill (franchise only)   | N/A               | 2,446                | 2,500               |
| Hauler service complaints received  | 5                 | 10                   | 10                  |
| Percent of business accounts with 2/3 or more of monthly trash service dedicated to recycling, greenwaste, and/or foodscraps  | 19.4%             | 20%                  | 21%                 |
| Percent of Single-Family Residential accounts with 2/3 or more of monthly trash service dedicated to recycling and green waste  | 69.6%             | 70.0%                | 71%                 |
| Percent of Multi-Unit Residential accounts with 2/3 or more of monthly trash service dedicated to recycling and green waste   | 17.7%             | 17.8%                | 17.5%               |
| Percent of buildings and facilities owned, operated or controlled by the City with 2/3 or more of monthly trash service dedicated to recycling, greenwaste, and/or foodscraps | N/A               | N/A                  | 19%                 |
| Pounds of household hazardous waste collected at the City ABOP and UCSB facility  | 336,965           | 282,186              | 290,651             |
| Pounds of Electronic Waste (E-Waste) collected at City-sponsored events and at the City ABOP  | 203,375           | 397,578              | 398,000             |